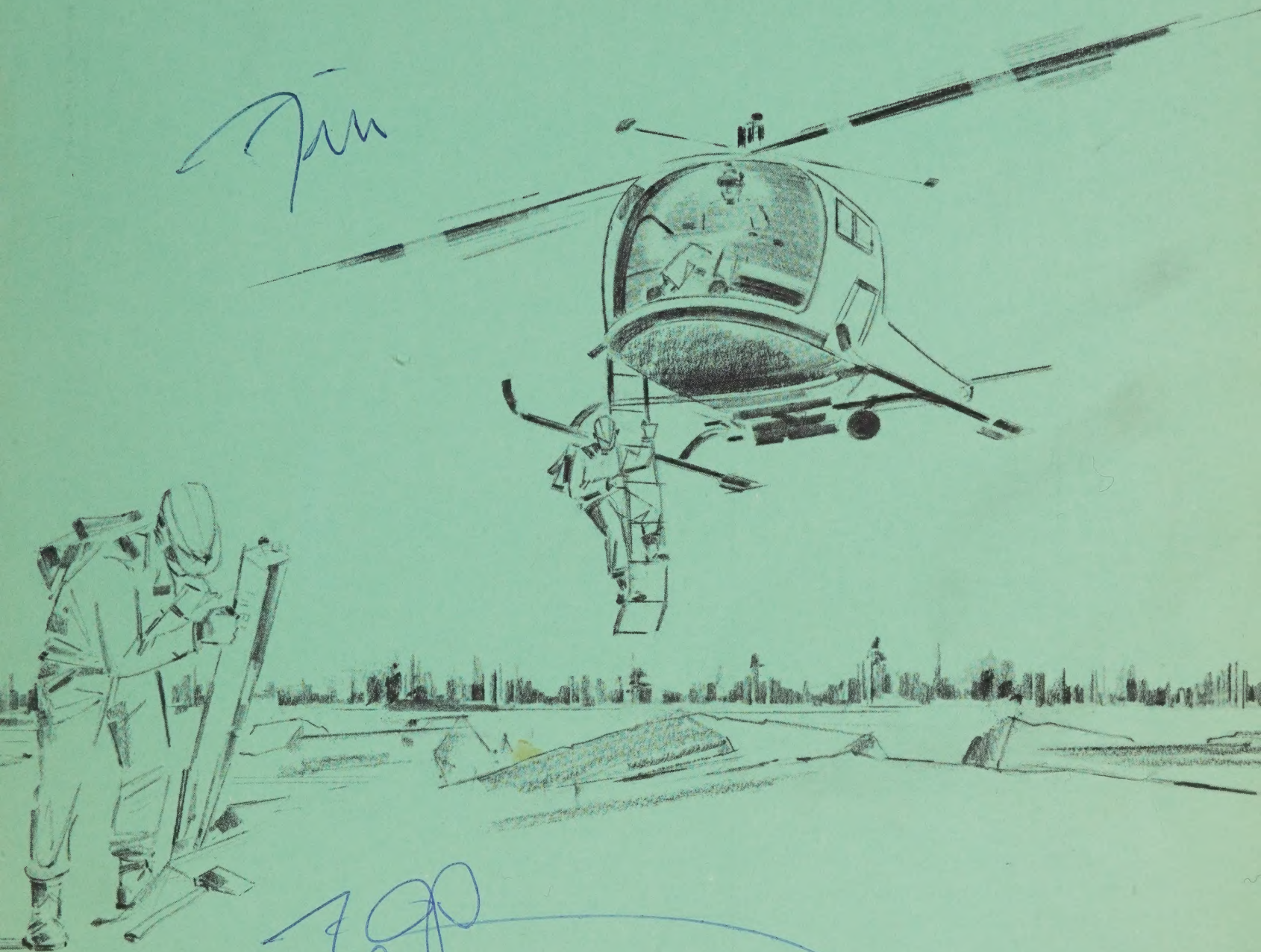


AR10



R. J. JOWSEY MINING
COMPANY LIMITED

A N N U A L R E P O R T 1 9 6 3

R. J. JOWSEY MINING COMPANY LIMITED

OFFICERS & DIRECTORS

OFFICERS

R. J. JOWSEY *Chairman of the Board*
F. H. JOWSEY *President and Managing Director*
H. M. SINCLAIR . . . *Vice-President & Secretary-Treasurer*

DIRECTORS

F. H. JOWSEY	R. J. JOWSEY
D. M. LORIMER	P. B. BELL
R. G. CROMPTON	H. M. SINCLAIR

HEAD OFFICE

Suite 324 - 12 Richmond St. E., Toronto

TRANSFER AGENTS AND REGISTRARS

CROWN TRUST CO., TORONTO

AUDITORS

GUNN, ROBERTS AND CO.

SOLICITORS

EDMONDS & BELL, TORONTO

BANKERS

CANADIAN IMPERIAL BANK OF COMMERCE

R. J. JOWSEY MINING COMPANY LIMITED

President's Report

To the Shareholders:

Shareholders of record were updated recently by an interim report on the progress of our many activities. Highlight of our report of May 7th was the news that the Company had acquired several significant groups of claims in the major boom area of Timmins, Ontario. Here the Texas Gulf copper-zinc-silver discovery is now making international headlines.

The Jowsey claims were secured for your company by selective staking in three strategic areas. In the opinion of our consulting geologists and of your management, all these claims have considerable potential. In the Timmins area then, Jowsey Mining Company holds a 75% interest in 42 claims in Duff Township, a 75% interest in six claims in Carnegie Township, a 25% interest in 36 claims in Mahaffy Township and a 25% interest in 36 claims in Reaume Township.

All these claim groups are located north of Kidd Township. The Duff and Reaume Township claims are on the indicated line of strike of the rapidly evolving Texas Gulf orebody in this region. Your directors believe that these claims merit an intensive geophysical survey. This exploration program will be conducted by competent geophysical companies on our behalf.

Your company's first exploration step is to conduct an electro magnetic survey on the claims. This program has already been initiated. On interpretation of the results of the survey our technical staff will be ready to proceed with a diamond drilling program where warranted.

In another area, south west of Kidd Township, Jowsey Denton Gold Mines Limited, in which your company has a substantial interest, owns 45 claims in Carscallen and Denton Townships. We note with interest the drilling program of Rowan Consolidated Mines in Whiteside Township, adjoining to the west.

Sand River Gold Mining Company, in which your company also has a significant interest, has conducted a magnetic survey in Senneterre

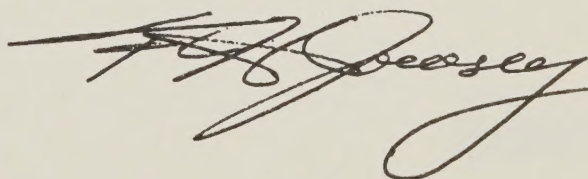
Township, Quebec. This work indicated three anomalous areas, all of which have registered magnetic intensities equal to those characterizing the nickel-copper-anomalies currently being tested through diamond drilling in the same region by Zulapa Mining.

Sand River has also optioned a group of claims in the Vamp Lake area of northern Manitoba and is presently encouraged by the work of Marcon Mines and Kerr Addison on adjoining ground. The latter two companies have encountered high-grade copper and gold values in recent drilling and surface exploration respectively.

In May this year, four new directors, representing International Bond and Equity, were elected to the Board. Your management wishes to express appreciation of the long service of the outgoing directors whose resignations permit representation on the board for the investment group.

As mentioned in our recent interim report, we hope to keep our shareholders fully informed throughout the year, in pace with our program's progress. In the meantime, we submit for your present attention the annual report of R. J. Jowsey Mining Company Limited for the year ended December 31st, 1963, including the company's audited balance sheet and financial statements.

Respectfully,



President.

Toronto, Ontario,
June 18th, 1964.

R. J. JOWSEY MINING

(Incorporated under the laws of the State of Nevada)

and its subsidiary

GOD'S LAKE GOLD MINING COMPANY

Consolidated Balance Sheet

ASSETS

CURRENT ASSETS

Cash.....	\$	4,290	
Accounts receivable.....		4,744	
Prepaid expenses.....		150	\$ 9,184

SHARES AND OTHER INTERESTS

Listed shares at cost—quoted market value \$1,376,829 (note 2).....	1,580,860	
Other shares and participations at less than cost (note 3).....	256,408	
Advances to other companies (notes 1 and 3).....	216,099	
	<u>2,053,367</u>	
Less allowance for decline in value.....	1,050,000	1,003,367

MINING CLAIMS AND OIL LEASES at cost or less.....		20,966
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OTHER ASSETS AND DEFERRED CHARGES

Equipment at cost.....	11,348	
Exploration and development expenditures deferred.....	499,564	510,912

\$1,544,429

COMPANY LIMITED

(Incorporated in the Province of Ontario)

Company

FINES LIMITED

December 31, 1963

LIABILITIES

CURRENT LIABILITIES

Bank loan (secured)	\$ 124,638	
Accounts payable and accrued liabilities	9,093	\$ 133,731

SHAREHOLDERS' EQUITY

Capital stock

Authorized—7,500,000 shares of \$1 each		
Issued —3,587,013 shares	3,587,013	
Deduct discount less premium on shares	232,674	
	3,354,339	
Contributed surplus arising from reduction in capital	2,319,635	
	5,673,974	
Deduct deficit	4,263,276	1,410,698

Approved on behalf of the Board:

F. H. JOWSEY, Director

H. M. SINCLAIR, Director

\$1,544,429

GUNN, ROBERTS AND CO.
CHARTERED ACCOUNTANTS
TORONTO, CANADA

Auditors' Report to the Shareholders

We have examined the consolidated balance sheet of R. J. Jowsey Mining Company Limited and consolidated wholly owned subsidiary company, God's Lake Gold Mines Limited, as at December 31, 1963 and the consolidated statements of income, deficit and expenditures deferred for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying consolidated balance sheet and consolidated statements of income, deficit and expenditures deferred present fairly the financial position of the company as at December 31, 1963 and the results of its operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Canada,
April 16, 1964.

GUNN, ROBERTS and CO.
Chartered Accountants.

R. J. JOWSEY MINING COMPANY LIMITED

and its subsidiary company
GOD'S LAKE GOLD MINES LIMITED

Consolidated Statement of Income

For the year ended December 31, 1963

REVENUE

Dividends.....	\$ 92,550		
Royalties.....	555		
Interest.....	1,871		
Sundry income.....	100	\$	95,076

ADMINISTRATIVE AND GENERAL EXPENSES

Administrative and office salaries.....	15,557		
Directors' fees.....	2,100		
Rent.....	7,554		
Transfer agent's fees.....	2,812		
Legal and audit.....	3,531		
Annual meeting expense.....	1,399		
Office and other corporate expenses.....	7,874		
Interest expense.....	9,819		
	50,646		

GENERAL EXPLORATION EXPENDITURES

Management fees and expenses.....	\$13,913		
General property exploration.....	17,717	31,630	82,276

Net income for the year.....		\$	<u>12,800</u>
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Consolidated Statement of Deficit

For the year ended December 31, 1963

Balance January 1, 1963.....		\$4,160,859	
ADD:			
Loss on sale of securities.....	\$110,626		
Advances to other companies written off.....	4,591		115,217
			<u>4,276,076</u>
Deduct net income for the year.....			12,800
Balance December 31, 1963.....		\$4,263,276	

R. J. JOWSEY MINING COMPANY LIMITED

and its subsidiary company

GOD'S LAKE GOLD MINES LIMITED

CONSOLIDATED STATEMENT OF EXPLORATION AND DEVELOPMENT EXPENDITURES DEFERRED

For the year ended December 31, 1963

	Balance Jan. 1, 1963	Year 1963	Balance Dec. 31, 1963
MANITOBA CLAIMS			
Athapapuskow and Herb Lake.....	\$ 2,211	\$ 300	\$ 2,511
Lynn Lake.....	317,802	735	318,537
Rice Lake (Packsack).....	1,275	145	1,420
ONTARIO CLAIMS			
Calvin Township.....	4,205	117	4,322
Clear Water Lake.....	34,299	104	34,403
McNeil Township.....	12,175	214	12,389
Marion and Genoa Townships.....		9,463	9,463
Frechette Township.....	11,656	1,045	12,701
SASKATCHEWAN			
Land and oil leases.....	105,588	(1,770)	103,818
Balance deferred at December 31, 1963.....	<u>\$489,211</u>	<u>\$10,353</u>	<u>\$499,564</u>

R. J. JOWSEY MINING COMPANY LIMITED

and its subsidiary company

GOD'S LAKE GOLD MINES LIMITED

Notes to Consolidated Financial Statements

December 31, 1963

1. Subsequent to the date of the balance sheet the company has entered into an agreement with Atlin-Ruffner Mines (B.C.) Limited whereby Atlin-Ruffner Mines (B.C.) Limited will issue 300,000 shares of its capital stock and transfer sundry shares with a book value of \$250 in full satisfaction of its indebtedness of approximately \$30,000 to R. J. Jowsey Mining Company Limited.
2. Subsequent to the date of the balance sheet the company has granted an option on 1,100,000 shares of Atlin-Ruffner Mines (B.C.) Limited exercisable as follows:

No. of shares	Price per share	Exercisable on or before
200,000	5¢	since exercised
200,000	5¢	August 24, 1964
200,000	6¢	November 24, 1964
200,000	6¢	February 24, 1965
300,000	6¢	May 24, 1965

3. Non-consolidated Partly Owned Subsidiary Companies

Other shares and participations appearing in the balance sheet includes shares of non-consolidated subsidiary companies at a cost of \$100,818, and advances to other companies includes advances to non-consolidated subsidiary companies of \$4,815. The accounts of these subsidiary companies have not been consolidated as the amount of their assets is not material in relation to the total assets of the consolidated companies. The expenditures of two of these companies have been deferred to future operations except for certain write-offs carried direct to deficit. The portion of this amount so charged to deficit attributable to the shares held by the consolidated companies amounts to \$6,792. The unaudited accounts of the other subsidiary company show a net book value attributable to the shares held of approximately \$750. These shares were acquired at a cost of \$11,724 and allowance has been made for the decline in value.

R. J. JOWSEY MINING COMPANY LIMITED

and its subsidiary company

GOD'S LAKE GOLD MINES LIMITED

Listed Shares

December 31, 1963

SCHEDULE "A"

		Quoted Market Value
828,403	Atlin-Ruffner Mines (B.C.) Limited (note 2).....	\$ 53,846
50,050	Denison Mines Limited.....	497,998
80,000	Dominion Magnesium Limited.....	680,000
5,000	Kiena Gold Mines Limited.....	18,750
148,345	Lyndhurst Mining Company Limited.....	11,868
20,405	Lyndhurst Mining Company Limited (in escrow).....	
88,300	Radiore Uranium Mines Limited.....	46,800
2,143	Rockwin Mines Limited.....	707
691,895	Sand River Gold Mining Company Limited.....	34,595
90,000	Sand River Gold Mining Company Limited (in escrow).....	
374,643	South Dufault Mines Limited.....	31,845
4,000	Winchester Larder Mines Limited.....	420
		<u>\$1,376,829</u>

R. J. JOWSEY MINING COMPANY LIMITED

and its Subsidiary company

GOD'S LAKE GOLD MINES LIMITED

Other Shares and Participations

December 31, 1963

SCHEDULE "B"

588,283	Amalgamated Knee Lake Mines (in escrow)—partly owned subsidiary company
1,264,505	Nickel Lake Mines (including 630,000 shares in escrow)—partly owned subsidiary company
1,150,000	Twin Mountain Uranium Mines (including 760,000 shares in escrow)—partly owned subsidiary company
5,482	Alaska-Canadian Mining and Exploration (including 4,775 shares in escrow)
12,500	Bargold Mines
24,916	Blind River Uranium Mines (in escrow)
1,000	Caramat Gold Mines
149,380	Deranco Mines (including 134,445 shares in escrow)
40,500	Dickstone Copper Mines
60,800	Duncan Range Iron Mines (including 60,750 shares in escrow)

Other Shares and Participations—continued

1,500	Estate Projects
10,000	Emkay Development
5,000	Feromac Mines
6,500	Horne Fault Mines
300,000	Jowsey Denton Gold Mines (in escrow)
300,000	Killala Lake Mines (including 270,000 shares in escrow)
56,000	Kirkland Gateway Gold Mines
119,583	Nickel Valley Copper Mines
10,000	Olivet Gold Mines
358,775	Proprietary Mines Holdings
100,000	Springhurst Copper Mines (in escrow)
733,088	Squall Lake Gold Mines
18,000	Young Shannon Gold Mines
	Sundry shares carried at no value
	Participations, sundry units, interests and royalties

R. J. JOWSEY MINING COMPANY LIMITED

and its subsidiary company

GOD'S LAKE GOLD MINES LIMITED

Mining Claims and Oil Leases

December 31, 1963

SCHEDULE "C"

MANITOBA CLAIMS

Athapapuskow and Herb Lake, at cost	\$ 5,560
Lynn Lake	1
Rice Lake (Packsack), at cost	1,608
Athapapuskow 33 $\frac{1}{3}$ % interest at cost	3,000

ONTARIO CLAIMS

Calvin Township, at cost	1,000
Clear Water Lake	1
McNeil Township	1
Marion and Genoa Township, 60% interest at cost	8,950

QUEBEC CLAIMS

Mattagami Lake, at cost	844
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SASKATCHEWAN

Land and oil leases	1
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\$20,966



NOTICE OF ANNUAL MEETING OF
SHAREHOLDERS OF

file

R. J. JOWSEY MINING COMPANY LIMITED

NOTICE is hereby given in accordance with the Order of the Honourable Mr. Justice Wilson dated the 21st day of September, 1966 that the Annual Meeting of Shareholders of the Company will be held in the Nova Scotia Room, The Royal York Hotel, 100 Front Street West, Toronto 1, Ontario, on Tuesday, the 1st day of November, 1966, at the hour of 11:00 o'clock in the forenoon (Toronto Time) for the following purposes:

1. To receive and consider the Balance Sheet and Auditors' Report for the period ended December 31st, 1965;
2. To appoint Auditors and to authorize the Directors to fix the remuneration of the Auditors;
3. To elect Directors;
4. To transact all or such other business which may properly come before an Annual Meeting of Shareholders.

Instruments appointing proxies to be used at this meeting must be deposited with Crown Trust Company, 302 Bay Street, Toronto 1, Ontario, before 11:00 o'clock Toronto Time on the morning of Monday, the 31st day of October, 1966.

A copy of the Balance Sheet and Auditors' Report of the Company for the year ended December 31, 1965 is enclosed herewith.

By Order of the Honourable Mr. Justice Wilson.

CROWN TRUST COMPANY

(Incorporated under the laws of the Province of Ontario)
and its subsidiary company, God's Lake Gold Mines Limited

ASSETS

Cash	\$ 63,173	
Investment in short term note	200,000	
Accounts receivable	4,006	\$ 267,179

Listed shares at cost — quoted market value \$2,076,055 (note 2)	702,615	
Other shares and participations at less than cost (note 3)	669,321	
Advances to other companies (note 3)	67,802	
	<u>1,439,738</u>	
Less allowance for decline in value	450,000	989,738
Oil and Gas Property		
Oil and Gas Properties at cost or less		<u>11,173</u>

Exploration equipment and office furniture at cost	15,153	
Exploration and development expenditures deferred	535,804	550,957

\$1,819,047

Accounts payable and accrued liabilities	\$ 1,136
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Capital stock		
Authorized — 7,500,000 shares of \$1 each		
Issued — 3,587,013 shares	\$3,587,013	
Deduct discount less premium on shares	232,674	
	<u>3,354,339</u>	
Contributed surplus arising from reduction in capital	2,319,635	
	<u>5,673,974</u>	
Deduct deficit	3,856,063	1,817,911

F. H. JOWSEY, Director.

RUSSELL WHITELY, Director.

\$1,819,047

We have examined the consolidated balance sheet of R. J. Jowsey Mining Company Limited and consolidated wholly owned subsidiary company, God's Lake Gold Mines Limited, as at December 31, 1965 and the consolidated statements of income, deficit and expenditures deferred for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances, except for the required approval on the disposal of securities as set out in note 2 to the financial statements.

In our opinion the accompanying consolidated balance sheet and consolidated statements of income, deficit and expenditures deferred present fairly the financial position of the companies as at December 31, 1965 and the results of their operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Canada,
April 4, 1966.

GUNN, ROBERTS and CO.,
Chartered Accountants.

R. J. JOWSEY MINING COMPANY LIMITED

CONSOLIDATED STATEMENT OF INCOME

For the year ended December 31, 1965

Revenue

Dividends	\$ 68,717	
Royalties	130	
Interest	9,547	
Sundry income	913	\$ 79,307

Administrative and General Expenses

Management salaries	12,000	
Secretarial salaries and accounting services	16,504	
Directors' fees	1,000	
Rent	2,160	
Transfer agent's fees	3,488	
Legal and audit	14,974	
Annual meeting and proxy expenses	6,834	
Office and other corporate expenses	8,917	
Travel expenses	2,175	
	68,052	
General Property Exploration	15,762	83,814
Loss for the year		\$ 4,507

CONSOLIDATED STATEMENT OF DEFICIT

For the year ended December 31, 1965

Balance January 1, 1965		\$4,042,148
Add:		
Loss for the year	\$ 4,507	
Amounts written off:		
Cost of mining claims abandoned	8,951	
Exploration expenditures on mining claims abandoned	11,039	
Option payment to purchase balance of interest in mining claims, option not exercised	5,200	
Cost of other shares	11,954	41,651
		4,083,799
Deduct profit on securities sold		227,736
Balance December 31, 1965		\$3,856,063

R. J. JOWSEY MINING COMPANY LIMITED

CONSOLIDATED STATEMENT OF EXPLORATION AND DEVELOPMENT EXPENDITURES DEFERRED

For the year ended December 31, 1965

	Balance Jan. 1, 1965	Year 1965	Balance Dec. 31, 1965
Manitoba Claims			
Athapapuskow and Herb Lake	\$ 2,811	\$ 300	\$ 3,111
Lynn Lake	320,007	1,470	321,477
Rice Lake (Packsack)	1,570	150	1,720
Ontario Claims			
Calvin Township	4,430	110	4,540
Clear Water Lake	34,507	104	34,611
McNeil Township	12,602	213	12,815
Marion and Genoa Townships	9,463		9,463
Frechette Township	12,701	501	13,202
Duff and Carnegie Townships	42,017	2,596	44,613
Lac des Isles Township	1,576		1,576
Saskatchewan			
Land and oil leases	101,402	(1,687)	99,715
	<u>543,086</u>	<u>3,757</u>	<u>546,843</u>
Deduct exploration expenditures on mining claims abandoned:			
Ontario			
Marion and Genoa Townships	9,463		9,463
Lac des Isles Township	1,576		1,576
	<u>11,039</u>		<u>11,039</u>
Balance deferred at December 31, 1965	<u>\$ 532,047</u>	<u>\$ 3,757</u>	<u>\$ 535,804</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1965

- By an order made in the Supreme Court of Ontario dated September 27, 1965, in defence of an action commenced by a shareholder against the company, the business of the company has been restricted to routine and ordinary matters of business operation.
- During the period July 1 to 7, 1965, 4,200 shares of Denison Mines Limited were sold at prices of \$27.75 to \$28.00 per share for the account of the company from its holdings. The directors have not approved these sales.
- Non-consolidated Partly Owned Subsidiary Companies
Other shares and participations appearing in the balance sheet include shares of non-consolidated subsidiary companies at a cost of \$147,882; and advances to other companies include advances to non-consolidated subsidiary companies of \$6,624. The accounts of these subsidiary companies have not been consolidated as the amount of their assets is not material in relation to the total assets of the consolidated companies. The expenditures of these companies have been deferred to future operations except for certain write-offs to deficit. The portion of this amount so charged to deficit attributable to the shares held by the consolidated companies amounts to \$13,993.

R. J. JOWSEY MINING COMPANY LIMITED

and its subsidiary company

LISTED SHARES December 31, 1965

SCHEDULE A

	Quoted Market Value
5,000 Alminex Limited	\$ 20,500
680 Armore Mines Limited	156
20,000 Black Hawk Mining Limited	57,000
45,850 Denison Mines Limited	1,633,406
26,300 Dominion Magnesium Limited	210,400
2,400 Kiena Gold Mines Limited	2,664
88,300 Radiore Uranium Mines Limited	68,874
204,979 Sarimco Mines Limited	39,971
18,000 Sarimco Mines Limited (in escrow)	
374,643 South Dufault Mines Limited	43,084
	<u>\$2,076,055</u>

OTHER SHARES AND PARTICIPATIONS December 31, 1965

SCHEDULE B

588,283 Amalgamated Knee Lake Mines (in escrow) — partly owned subsidiary company	
1,264,505 Nickel Lake Mines	
(including 630,000 shares in escrow) — partly owned subsidiary company	
1,377,000 Twin Mountain Uranium Mines	
(including 760,000 shares in escrow) — partly owned subsidiary company	
12,500 Bargold Mines	
1,000 Caramat Gold Mines	
300,000 Consolidated Proprietary Mines Holdings	
149,380 Deranco Mines (including 134,445 shares in escrow)	
40,500 Dickstone Copper Mines	
60,800 Duncan Range Iron Mines (including 60,750 shares in escrow)	
1,500 Eastate Projects	
10,000 Emkay Development	
6,500 Horne Fault Mines	
300,000 Jowsey Denton Gold Mines (in escrow)	
148,345 Lyndhurst Mining Company Limited	
20,405 Lyndhurst Mining Company Limited (in escrow)	
119,583 Nickel Valley Copper Mines	
10,000 Olivet Gold Mines	
3,550 Speculative Investment Company	
733,088 Squall Lake Gold Mines	
11,200 Upper Kirkland Mines	
18,000 Young Shannon Gold Mines	
Sundry shares carried at no value	
Participations, sundry units, interests and royalties	

MINING CLAIMS AND OIL LEASES December 31, 1965

SCHEDULE C

Manitoba Claims	
Athapapuskow and Herb Lake, at cost	\$ 5,560
Lynn Lake	1
Rice Lake (Packsack), at cost	1,608
Athapapuskow 33 1/3 % interest at cost	3,000
Ontario Claims	
Calvin Township, at cost	1,000
Clear Water Lake	1
McNeil Township	1
Duff and Carnegie Townships, 75 % interest	1
Saskatchewan	
Land and oil leases	1
	<u>\$ 11,173</u>